

1 are not united. It's not about me.
2 It's -- and if there's anything that you
3 need at the NBA, Bill, and I really agree
4 with it, I think I can deliver it.

5 MR. SIMMONS: He also said about
6 you, "In the last six or seven years,
7 there's a new group of owners to come in
8 who paid a premium for their franchises,
9 and what they're kind of doing is holding
10 his feet to the fire," meaning you.
11 Where did that come from?

12 MR. STERN: Yeah, it's fiction.
13 It's fiction.

14 MR. SIMMONS: All right. How
15 worried are you about ticket revenue?
16 Because, you know, just looking at this
17 from afar, it seems like you're almost
18 swinging so far the other way with how
19 you want this pay cut from the players to
20 go that you're almost factoring in, we
21 think attendance is going to go down
22 here, we're worried about season tickets,
23 things like that. Is that a fair
24 statement to make?

25 MR. STERN: No, although you keep

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1 making it. This is not -- it's just
2 getting more expensive to do those
3 things. And that's why -- it isn't what
4 we want for the players. It's just that
5 fifty-seven percent is too high. Instead
6 of selling one season ticket, you have to
7 sell four ten-game packages. Instead of
8 having one customer service
9 representative for that group, you may
10 need two. You have to use more research;
11 you have to demonstrate better metrics.
12 You have to improve on the spending on
13 your game experience. You have to take
14 account the increase in petroleum prices,
15 so when you charter the players you
16 can -- you know, it costs more. You have
17 to have a security issue, so you need to
18 protect the building, the plane, the
19 travel, and everything else. And so we
20 think, actually, we can continue to grow
21 most categories, including tickets, by
22 offering the game experience that we do.
23 It's just more expensive to do it and you
24 can't -- you can't take in a dollar that
25 costs you fifty cents to raise, and then

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1 give fifty-seven to the players. You're
2 down seven percent. It's a Catch-22
3 situation; you can't make it up on
4 volume.

5 MR. SIMMONS: Are season tickets too
6 high?

7 MR. STERN: The question. I think
8 they're -- I think they're high, but I
9 think that each of our teams in each of
10 their markets are making judgments about
11 the market. And all I can tell you is
12 that season tickets, even in the face of
13 a lockout, are flat with last year. So
14 we've been able to maintain it to this
15 point, and if we were -- and as soon as
16 it becomes clear that we're going to have
17 a season, they'll go up. And so thus
18 far, the market is saying that the fans
19 want to see our games, want to come to
20 our games, and they're -- in order to do
21 that, they're willing to pay our season
22 ticket prices.

23 MR. SIMMONS: There's been some --
24 it seems like this time around, there's
25 been more stuff leaked to try to make you

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1 look bad than I remember in the previous
2 lockouts. One of those things was
3 somebody wrote that you make twenty-three
4 million dollars a year.

5 MR. STERN: Right.

6 MR. SIMMONS: And also questioned
7 why you had decided to --

8 MR. STERN: Go ahead. Ask me
9 anything. You can -- you know, we've
10 been at this for so long, you can't --

11 MR. SIMMONS: Well, listen, no, I
12 don't think -- I have no interest in what
13 you actually make, but I know that you
14 don't make twenty-three million dollars a
15 year.

16 MR. STERN: No, listen, if you
17 guessed -- if you guessed that, you know,
18 that I made half of that, you would be
19 way high. Okay?

20 MR. SIMMONS: Right.

21 MR. STERN: If you were closer to a
22 third, you might be in my range. And so
23 that's just --

24 MR. SIMMONS: But that's even --
25 that's something that --

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1 MR. STERN: -- that's just some --
2 in fact, I'm going to get thrown out of
3 the commissioner's union for being at the
4 low end, but guess what, I've been doing
5 this for so long, I've made a very good
6 living, and in, I guess it was 2008, when
7 we stopped -- when we started laying off
8 people because of our business
9 performance, I went to the owners and
10 said I'm going to take a pay cut, and I
11 think it's a good idea, and I'm going to
12 freeze my salary. And I did that with
13 the audit and compensation committee
14 which is six people that know exactly
15 what I earn and what we've done. It's
16 not a secret; every owner can know it if
17 they choose to because we review all
18 salaries with the audit and compensation
19 committee at least twice a year. But you
20 go -- you see what's going on out there,
21 and it says, oh, nobody knows what Stern
22 makes, you know, and it's just totally
23 ridiculous.

24 MR. SIMMONS: Well, I mean, that was
25 a ridiculous figure.

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1 MR. STERN: Well, but by the way,
2 it -- like so many other things, there
3 were no sources. Even with respect to
4 the most recent cancellation of the
5 meeting for yesterday, which really, I
6 make the point, is not a big deal.

7 MR. SIMMONS: Yeah.

8 MR. STERN: I spoke to Billy. Adam
9 Silver, who's leading these negotiations,
10 spoke to Ron Klempner, who's Billy's
11 number one guy in these things. They
12 both said we -- the players don't want to
13 do it now. We said, okay, we'll
14 reschedule something, and Adam is, I
15 hope, talking to Ron today to schedule
16 maybe something between Ron and Adam and
17 their troops for next week. And all of a
18 sudden, it gets written, an anonymous
19 union official said that the league
20 didn't do something or did do something.

21 We don't have to be anonymous.
22 We're certainly responsible for our
23 actions and we'll speak -- Adam will
24 speak, I will speak, Peter Holt will
25 speak, and you know what? So will Billy.

1 And so I don't know what the game is
2 being played here. I think just a
3 blogger needed to get some counter
4 statement on from somebody else so they
5 went with an anonymous union official
6 because we found Billy to be very direct.
7 Billy, you know, he says what he means,
8 he says what he thinks, and he does what
9 he says. So I don't have a problem with
10 that.

11 MR. SIMMONS: How many times have
12 you gotten mad during this -- during this
13 whole process? Because I know for a
14 fact, in Miami, during the finals, when
15 the players didn't show up for what you
16 thought was going to be a productive
17 meeting, you kind of went crazy a little
18 bit, tiny bit.

19 MR. STERN: I don't think -- I
20 don't -- Miami --

21 MR. SIMMONS: There was some
22 yelling.

23 MR. STERN: -- during the finals?

24 MR. SIMMONS: Yeah, there was some
25 yelling. You're not going to back me up

1 on that?

2 MR. STERN: Wait a minute. You
3 know, I can't remember. But me yelling?
4 Moi?

5 MR. SIMMONS: Yeah.

6 MR. STERN: Very possibly.

7 MR. SIMMONS: You were yelling at
8 the players' side asking them to start
9 taking the whole process seriously
10 because you were --

11 MR. STERN: Oh, okay, yes, yes.

12 MR. SIMMONS: -- within a couple
13 weeks --

14 MR. STERN: Yes, you know, but
15 that's -- you know, I was -- I thought we
16 really had a shot if we could sit down
17 and negotiate and understand each other's
18 positions that -- of doing this in a more
19 effective, shorter time span because we
20 started out almost two years ago by, you
21 know, by telling them we'll give them all
22 the numbers so that's not going to be an
23 issue. And, you know, and we just got
24 the sense that there was a lot going on
25 that we were not privy to that somehow

1 involves the agents, as well, pushing for
2 this decertification idea. Look where it
3 got -- you know, look where Kessler's
4 strategy got the NFL players.

5 MR. SIMMONS: Yeah.

6 MR. STERN: And -- and we, you know,
7 we sort of felt that there were things
8 going on we didn't quite understand, and
9 in fact, that's why we filed the unfair
10 labor practice charge and we, you know,
11 started the litigation because we said,
12 look, let's clear this debris out. Let's
13 get down to the basics because what's
14 going to happen here, eventually, is that
15 we're going to sit across the table from
16 players who have decided that they
17 understand exactly what we've done and
18 what we need and what we're saying, and
19 then hopefully, we'll cut a deal.

20 MR. SIMMONS: Do you like Derek
21 Fisher more or less than the guys you
22 dealt with in 1999?

23 MR. STERN: I love all the players.

24 MR. SIMMONS: Good answer.

25 MR. STERN: Although the guys --

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1 although I must tell you that, you know,
2 I think that in some ways, the players in
3 '98, '99 expressed themselves in a more
4 militant fashion.

5 MR. SIMMONS: Yes. Well, they
6 also --

7 MR. STERN: I'm not sure it got them
8 that much, but they did it that way. I
9 appreciate Derek's manner, and his -- but
10 he also has control of the situation and
11 he's working hard at it.

12 MR. SIMMONS: What if they came to
13 you and suggested contraction as a
14 possible way to fix this mess. This is
15 something that's never happened under
16 your watch.

17 MR. STERN: Well, actually, it's not
18 a subject that we're against. In fact,
19 when you're talking about revenue
20 sharing, a number of teams have said that
21 if you have a team that is perpetually
22 going to be a recipient, aren't you
23 better off with, you know, with the
24 ability to buy them in, because between
25 the revenue sharing and the split of

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1 international and the TV money, we could
2 almost buy them in with their own money.
3 And the players actually have been heard
4 to suggest that as well, which was
5 interesting, because that means they're
6 suggesting that we eliminating thirty
7 jobs, or the potential for thirty jobs.

8 And so we've said to the players,
9 you know, give us the right to contract;
10 let's agree upon what the basis will be.
11 Let's make this deal, and then we'll
12 continue to look at that subject. That's
13 going to be driven as much by, I think,
14 teams that are going to say that revenue
15 sharing is inefficient in certain
16 markets.

17 MR. SIMMONS: Yeah.

18 MR. STERN: But then again, if you
19 look for volunteers, there aren't many
20 teams raising their hands, and that's an
21 interesting subject.

22 MR. SIMMONS: Yeah, but I mean,
23 just -- that makes the most sense to me.
24 I think that solves -- listen, I hate the
25 thought of losing basketball teams in one

1 or two cities or three cities, or
2 whatever it ends up being, but at some
3 point, if you're going to rev -- if the
4 Lakers are basically going to be funding
5 the bottom five teams in the league to
6 keep them afloat, that just doesn't make
7 sense to me economically.

8 MR. STERN: Well, it's a -- it's a
9 source of some heated discussion
10 internally and, of course, at table with
11 the players. And we understand it, but,
12 you know -- and I understand your view of
13 it that commissioners try to keep things
14 the way they are, but remember, I do
15 represent thirty owners.

16 MR. SIMMONS: Right.

17 MR. STERN: And so the conversation,
18 knock, knock, come in, hi, Mr. Owner, I'm
19 here to tell you that I think you should
20 go out of business and no longer own a
21 team, it's sort of something that needs
22 to be done pursuant to a plan, and we'll
23 see how that works after we make --

24 MR. SIMMONS: But --

25 MR. STERN: -- the deal and the

1 revenue sharing deal.

2 MR. SIMMONS: -- to be fair, New
3 Orleans doesn't have an owner, and
4 Sacramento, those guys barely have enough
5 money to make payroll. Like, I mean,
6 those are two candidates right there.
7 You could also merge a couple teams.

8 MR. STERN: Well, to be fair, New
9 Orleans is actually going to be a top
10 fifteen grossing team that, when it has
11 its 10,000 season tickets and the like,
12 together with an expression of support
13 from the state, it's going to be an
14 interesting team that I'm not sure is a
15 candidate for a contraction. And we'll
16 see. I mean, I just don't want to get
17 involved in a discussion of individual
18 teams because right now, we're working
19 very hard with Mayor Johnson --

20 MR. SIMMONS: Right.

21 MR. STERN: -- who has put together
22 a plan that seems to suggest that a new
23 arena would be a huge economic incentive,
24 seven billion dollars over thirty years,
25 for Sacramento, and has been able to

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1 generate support for the project from the
2 entire region. So let's see how that --
3 let's see how that goes before we start
4 talking about contraction.

5 MR. SIMMONS: And he's done some
6 great legwork with that and I think he's
7 earned the right. And the Kings fans are
8 great; they've earned the right to at
9 least get one more year to figure it out,
10 but --

11 MR. STERN: You bet. You bet.

12 MR. SIMMONS: At some point,
13 though --

14 MR. STERN: The Kings fans have been
15 terrific.

16 MR. SIMMONS: Isn't there a time
17 limit on that, though? Like, shouldn't
18 they have twelve months to figure that
19 out or else you guys have to move on?

20 MR. STERN: That's what they have --

21 MR. SIMMONS: Okay.

22 MR. STERN: -- dating back to April.

23 MR. SIMMONS: What about mergers?
24 Why couldn't you merge Milwaukee and
25 Indiana and move them to New Orleans,

1 something like that. Like, what's wrong
2 with the idea of merging franchises?

3 MR. STERN: You're trying to get me
4 in trouble with everybody.

5 MR. SIMMONS: I'm just -- I'm just
6 asking. What's wrong with taking --

7 MR. STERN: Okay, well, you know
8 what, we'll examine all of that. But our
9 individual owners are very committed to
10 their cities. Herb Simon is a huge
11 booster and supporter of Indiana --

12 MR. SIMMONS: Right.

13 MR. STERN: -- and Indianapolis, and
14 Senator Kohl of Wisconsin is a huge
15 proponent of the State of Wisconsin and
16 the City of Milwaukee.

17 MR. SIMMONS: Charlotte --

18 MR. STERN: So it's easy to say, you
19 know. Charlotte is an interesting
20 subject. Okay, we've got a long-term
21 lease of a brand new building and we had
22 a very unfortunate --

23 MR. SIMMONS: You can buy it out,
24 though.

25 MR. STERN: -- a very unfortunate

1 launch of that expansion franchise.

2 MR. SIMMONS: Yeah.

3 MR. STERN: And so Michael Jordan is
4 leading an -- sort of what's the opposite
5 of an excavation, he's digging -- he is
6 digging out, but he's building up the
7 franchise in a way that sponsorships are
8 up and tickets are up, and an unfortunate
9 TV deal is being reworked on an ongoing
10 basis, and I think, you know, Charlotte
11 will be a candidate for revenue sharing
12 in its current format; no question about
13 it.

14 MR. SIMMONS: But doesn't it
15 frustrate you --

16 MR. STERN: North Carolina, we're
17 going to abandon, say that they're not
18 supporting basketball?

19 MR. SIMMONS: Well, that may be a
20 college basketball state.

21 MR. STERN: Maybe. Or it might be
22 the state that led the NBA in attendance
23 at 24,000 a game when we --

24 MR. SIMMONS: I just feel like --

25 MR. STERN: -- first expanded there

1 twenty years ago.

2 MR. SIMMONS: Yeah, but --

3 MR. STERN: Actually, I'm getting
4 old. It's actually twenty-five years ago
5 almost.

6 MR. SIMMONS: Right. But you
7 have -- you have an Anaheim guy who I
8 think would make for a good owner and
9 seems like he's willing to overpay to get
10 a team there. You have a Vancouver
11 market that is really dying for an NBA
12 team; the Canadian dollars shifted, and
13 that can be a good place.

14 MR. STERN: They're not dying.

15 MR. SIMMONS: You have Seattle.

16 MR. STERN: They're not dying. You
17 know, we've met with people from Anaheim;
18 we've met with people from Vancouver.

19 MR. SIMMONS: Seattle.

20 MR. STERN: We are in continued
21 dialogue with Seattle about their
22 prospects for a new building. It's so
23 easy to sit in a -- you know, someplace
24 else and say oh, you must be able to go
25 to Vancouver, but the Canucks are doing a

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1 great job. They've got a great building;
2 we've played there once. And we've had
3 some preliminary conversations, but
4 there's nothing imminent.

5 MR. SIMMONS: All right.

6 MR. STERN: But -- and Seattle would
7 be a great city with a new building; it
8 always has been.

9 MR. SIMMONS: I have to ask. You
10 have a Clippers franchise that has one of
11 your five most marketable guys right now
12 and plays in Los Angeles, and could be
13 worth a billion dollars if it was run
14 properly. You have an owner that's
15 embarrassed the league a bunch of times.
16 Why don't you have more power to give
17 that team to a better owner?

18 MR. STERN: I have the power that I
19 Have, and no more and no less. And
20 actually, I would say to you that on
21 preliminary numbers going forward, that
22 that team is -- the delta between its
23 potential and where it's at is closing.
24 There are increased season ticket sales,
25 increased sponsorship. I think the

1 Clippers are going to be very on the
2 march because of Blake and because of the
3 way the team has been improving in its
4 performance.

5 MR. SIMMONS: All right. But
6 that's -- I mean, do you not have the
7 power to basically force an owner to
8 sell?

9 MR. STERN: I don't have the power
10 to basically force the owner -- an owner
11 to sell. The other owners have that
12 power if they choose to exercise it, but
13 it's not something that's exercised on
14 the basis of an opinion of whether
15 something is being undermarketed or
16 underappreciated.

17 MR. SIMMONS: All right, because
18 that's a franchise that, you know, should
19 be raking it in, and now they might
20 because Blake's there.

21 MR. STERN: It actually will be
22 raking it in, I assure you.

23 MR. SIMMONS: Okay. All right,
24 so -- all right, at least I feel like
25 you're thinking about this stuff. I'm

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1 still really worried.

2 MR. STERN: Little -- I'm thinking
3 about little else in addition to how to
4 make more money, which you think I'm not
5 thinking about.

6 MR. SIMMONS: I -- listen, I think
7 you should have a tournament for the
8 eighth seat (ph.); I've written about
9 that.

10 MR. STERN: I know, I know.

11 MR. SIMMONS: I think you should
12 have sponsored jerseys.

13 MR. STERN: I -- listen, I read it.

14 MR. SIMMONS: I think there's things
15 you can do to make a little more cash.

16 MR. STERN: I -- I hung it up on my
17 bathroom mirror so I could see it in the
18 morning and see it in the evening --

19 MR. SIMMONS: Okay, good.

20 MR. STERN: -- and be reminded of
21 your perspicacious --

22 MR. SIMMONS: Whoa --

23 MR. STERN: -- insight.

24 MR. SIMMONS: -- nice word. So walk
25 me through the next two months, and then

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1 I'll let you go. I mean, is this just
2 going to be staring match until October?

3 MR. STERN: I -- I don't think so.
4 I think small group meetings, and then it
5 gets to be September -- end of August,
6 September. And we then say, listen guys,
7 we've got to sit down and decide upon a
8 date when the exhibition season is not
9 going to be possible to hold. And we're
10 all going to understand that when we lose
11 that, that's when the NBA's offer is
12 likely to change because there are going
13 to be economic consequences that we're
14 sort of tiptoeing through right now. I
15 mean, we know, for example, that our
16 licensees are cutting back, stores are
17 cutting back on their shipments, time on
18 television isn't being sold, and fans
19 haven't asked for their money back yet.
20 But as we start to move to the season,
21 and that movement isn't occurring, then
22 those things are going to be permanent
23 and start biting. And then the owners
24 are going to have to reassess the
25 economics of their current offer, which

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1 is to keep the players as close to where
2 they are as possible because once those
3 things begin to bite and the losses
4 start, then, you know, it's going to be
5 really ugly from an economic perspective
6 for the players because it's going to be
7 ugly from an economic perspective for the
8 teams.

9 So I see, you know, sort of, if
10 we're not, you know, if Labor Day comes
11 and goes without us huddled in, ready to
12 kiss off our Labor Day weekend to make
13 this deal, then we may be headed to a bad
14 place.

15 MR. SIMMONS: There's --

16 MR. STERN: But I think there's
17 still plenty of time to get the deal
18 done, have the exhibition season start on
19 time. But it requires, you know, I read
20 someplace that Billy's going to do a
21 series of regional meetings with the
22 players, and I think that's a terrific
23 idea if he's going to be telling them,
24 you know, what our offer is, what the
25 state of the economics is, and how we're

1 trying hard to keep the players as close
2 to their current compensation as
3 possible.

4 MR. SIMMONS: There's a feeling out
5 there that you guys have already given up
6 November, December. Like you have --

7 MR. STERN: Oh, gosh, no.

8 MR. SIMMONS: -- owners trying to
9 get concert dates and things like that.

10 MR. STERN: That's -- that's
11 ridiculous. Because --

12 MR. SIMMONS: I don't think it's
13 ridiculous.

14 MR. STERN: -- I'm aware of the fact
15 that if we start losing games, and our
16 offer gets worse, the prospects for the
17 loss of the season increase, and that's
18 one thing that I'm going to run scared
19 on, and I assume Billy's going to do the
20 same thing. Because why would you, if
21 you're a player, want to give up two
22 billion dollars of compensation? I just
23 don't get it.

24 MR. SIMMONS: Well, the writers in
25 Hollywood would agree with you. They

1 gave up seven months of salaries and
2 ended up with a worse system than they
3 had.

4 MR. STERN: No, that's right. And
5 so -- and so when I see this -- and I do
6 consider myself to be working for the
7 players. They get more than the owners
8 do from every dollar I help raise.

9 MR. SIMMONS: Yeah.

10 MR. STERN: The owners get nothing
11 and the players get fifty-seven percent.
12 And so if I'm a player -- so now we are
13 giving them, now, from the make good on
14 the escrow, the extra money to get them
15 to fifty-seven percent, the licensing
16 money, they're being paid on twelve
17 months basis, some are getting checks.
18 So they're fortified with dollars so they
19 have it, so that's -- I would love to see
20 them thinking, okay, and then I'll --
21 rather than spend it and then start
22 losing my salary because we have no
23 season, and then looking at a reduced
24 deal yet, it doesn't make any sense from
25 a player perspective. And that's what I

1 tell Billy, that's what I tell Derek,
2 that's what I tell their economists,
3 but -- and that's what we tell the
4 players. And hopefully, they'll come to
5 understand that.

6 MR. SIMMONS: Fifty-fifty split,
7 four year contracts or less. I think
8 we're two-thirds of the way here. Last
9 question. What's the latest the 2012
10 season can start? Like, what -- is there
11 a date that you look at and you go we
12 can't go past that specific date and
13 still have a season?

14 MR. STERN: You know what, if I told
15 you that, you would say it was more of my
16 lack of creativity. So I'm not going to
17 answer that question --

18 MR. SIMMONS: Well, that's kind
19 of --

20 MR. STERN: -- other than to say
21 from my perspective, anything other than
22 starting on opening day, November 1, is a
23 big loss for everybody --

24 MR. SIMMONS: Could we go to --

25 MR. STERN: -- because then we're

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1 really playing with long sticks of
2 matches.

3 MR. SIMMONS: Well, in '99, it went
4 all the way into February.

5 MR. STERN: Yes, it did. We settled
6 on January -- we had a handshake on or
7 about January 5th, but even then, it took
8 us to -- to get the deal reduced to
9 writing, to you know, get to training
10 camp, to do that, it didn't start until
11 the beginning of February.

12 MR. SIMMONS: And that's --

13 MR. STERN: But I'll tell you what.
14 If the sides dig in, I fear that, you
15 know, the owners are going to have to
16 make it up someplace, and it's going to
17 come from a reduced offer.

18 MR. SIMMONS: Yeah.

19 MR. STERN: And then that reduced
20 offer makes it less likely to, you know,
21 to make a deal, and then the -- and then
22 the season is at risk. And it always
23 upsets me when I hear a player say, well,
24 I know we're preparing for the loss of a
25 season. And then what? What's your Plan

1 B? My Plan A and B is to keep your
2 salary and compensation as close as
3 possible to what it is now and to, you
4 know, come up with a system where any
5 player that comes into it is going to be
6 coming into the most high paying system
7 in the world and -- and our sport
8 continues to grow.

9 MR. SIMMONS: Well, for you
10 personally, I would say you have as much
11 at stake as anybody because, you know, I
12 don't see you doing this fifteen years
13 from now.

14 MR. STERN: Really?

15 MR. SIMMONS: This could end up
16 being the last big deal you do. Yeah,
17 that's --

18 MR. STERN: By the way, I agree with
19 you. This is my last collective
20 bargaining agreement. But frankly, when
21 I leave, I'd like to be sure that the
22 system is one that new owners and
23 existing owners will continue to invest
24 in because what is too often lost is that
25 it's the owner who are taking all of the

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1 risk. Okay? And the sales of our
2 franchises in recent years and months
3 demonstrate that we're heading downward
4 in franchise valuation in a significant
5 way. And although there are new owners
6 ready to buy at that low price, we need
7 to find a way to incentivize them to
8 invest in new buildings, to invest in
9 television productions, to invest in the
10 kind of staff that they need to make this
11 work, and to invest in salaries for the
12 players.

13 MR. SIMMONS: Right.

14 MR. STERN: So I consider my goal
15 here and what all players should want to
16 be very much aligned.

17 MR. SIMMONS: Well, I'm very scared
18 because I think this would have been a
19 really important season for the league,
20 and you have the Olympics coming up, and
21 you could argue that this would have been
22 one of the better ten-month stretches the
23 league has ever had.

24 MR. STERN: It is going to be.

25 MR. SIMMONS: Okay.

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1 MR. STERN: We're going to get it
2 done somehow.

3 MR. SIMMONS: All right.

4 MR. STERN: Okay? So -- and when
5 you have players talk to you and they say
6 that the league hasn't given them their
7 audited financials, I'm depending on you
8 to say yes, they have. And when a player
9 says we --

10 MR. SIMMONS: Yes, I should have --

11 MR. STERN: And when a player says
12 we need revenue sharing, I'm depending
13 upon you to say you can't revenue share
14 your way out of a loss. You need profit
15 to revenue share, and then it's fair to
16 ask the Lakers and the Knicks and the
17 Bulls and Chicago, indeed even the
18 Clippers to share revenue with teams that
19 don't have the same capacity.

20 MR. SIMMONS: It's a very fair
21 point.

22 MR. STERN: You'll see. You know,
23 we're going to make this happen somehow,
24 and I think it's important that people
25 like you help us do it.

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1 MR. SIMMONS: I'm rooting for you.
2 I hope you continue to think creatively.
3 I'm here if you need me. David Stern,
4 good luck figuring this out.

5 MR. STERN: Thank you very much.

6 MR. SIMMONS: All right, that was
7 certainly more time than we thought we
8 were getting. That was pretty
9 interesting. I thought the contraction
10 part that he basically admitted that
11 they're talking about was the most
12 interesting thing on there from that
13 podcast.

14 Check out grantland.com for my new
15 mailbag that I put up today and check out
16 iTunes and ESPN.com's pod center for all
17 the last few B.S. Reports. We will see
18 you next week.

19 (Closing theme)

20 (End of audio)

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C E R T I F I C A T I O N

I, Dena Page, hereby certify that the foregoing is a true and correct transcription, to the best of my ability, of the sound recorded proceedings submitted for transcription.

I further certify that I am not employed by nor related to any party to this action.

In witness whereof, I hereby sign this date:
August 22, 2011.

Dena Page